

AMENDED No. 73317T  
APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER  
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF  
NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office OCT 07 2005

Returned to applicant for correction

Corrected application filed

Map filed OCT 27 2005

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The applicant **Claude Edward Morris** hereby makes application for permission to change the **Point of Diversion, place of use and manner of use** of water heretofore appropriated under a **portion of Permit 31347**

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1. The source of water is **underground**
2. The amount of water to be changed **20 Acre-Feet Annually (1.67 AC-FT/month)**
3. The water to be used for **Mining & milling**
4. The water heretofore permitted for **Irrigation & domestic**
5. The water is to be diverted at the following point **NW¼ NW¼, Section 23, T 45N, R 28E, MDM**, at a point from which the NW corner of said Section 23, bears **N 61° 00' 00"W**, a distance of **1,408 feet**
6. The existing point of diversion is located within **SE¼, NE¼, Section 22, T 45N, R 28E, MDM** or at the point from which the E ¼ corner of Section 22, bear **S 84° 30' 45" E**, a distance of **474.31 feet**
7. Proposed place of use **within NW¼ NW¼, Section 23, T 45N, R 28 E, MDM**
8. Existing place of use **E½, SE¼, Section 15; W½ SW¼, Section 14; E ½ NE¼, Section 22; W½ NW¼, Section 23, all in T 45N, R28E, MDM**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **drilled well, pump, & motor**
12. Estimated cost of works **\$30,000**
13. Estimated time required to construct works **20 Days**
14. Estimated time required to complete the application of water to beneficial use **45 Days**

15. Remarks: 17,855 gallons/day for milling molybdenum ore in a 100 ton/day flotation mill =20 acre-feet/year. Mill operator (Golden Phoenix Minerals, Inc., Sparks, NV) to file for water rights permit after drilling well

**Compared hcm/gkl** \_\_\_\_\_ **dl/gkl** \_\_\_\_\_

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This permit to change the point of diversion, manner of use and place of use of a portion of the waters of an underground source as heretofore granted under Permit 31347 is issued subject to the terms and conditions imposed in said Permit 31347 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the Proof of Completion of Work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water herein granted at any and all times.

(CONTINUED ON PAGE 3)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.1 cubic feet per second, but not to exceed 20 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

N/A - Temporary

Proof of completion of work shall be filed on or before:

N/A - Temporary

Water must be placed to beneficial use on or before:

N/A Temporary

Proof of the application of water to beneficial use shall be filed on or before:

N/A - Temporary

Map in support of proof of beneficial use shall be filed on or before:

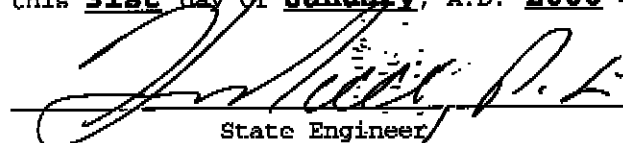
N/A - Temporary

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 31st day of January, A.D. 2006

  
State Engineer